

GOV9

Establish and seek assurance that internal control, management and compliance procedures are in place



Overview

This standard is about the importance of the Governing Body establishing effective internal control systems and seeking regular assurance that appropriate and proportional procedures for the management of risk and compliance are in place.

GOV9

Establish and seek assurance that internal control, management and compliance procedures are in place

Performance criteria

You must be able to:

- P1 Establish systems of internal control and risk management to safeguard the rights of providers of capital and the organisation's assets
- P2 Ensure that appropriate performance risk indicators are used
- P3 Ensure that the system of internal control is effective in managing risk
- P4 Initiate and oversee regular review of internal control systems; including all financial, operational and compliance controls and risk management systems
- P5 Provide statements of assurance that appropriate internal controls, risk management and compliance systems are in place
- P6 Report on any reviews that have taken place and any action that has been taken
- P7 Obtain input from specialists where appropriate
- P8 Ensure risk is addressed appropriately by the Governing Body

GOV9

Establish and seek assurance that internal control, management and compliance procedures are in place

Knowledge and understanding

You need to know and understand:

- K1 Legal and best practice responsibilities of the governing body concerning internal control and risk management
- K2 How to identify performance risk indicators to evaluate internal control and risk management
- K3 The appropriate risk management framework, policy and processes for the organisation
- K4 How to objectively verify the effectiveness of the internal control and risk management systems
- K5 How systems of internal control and risk management are designed to safeguard the rights of **providers of capital**
- K6 The reporting and disclosure requirements for internal control and risk management systems
- K7 How to exercise judgment in respect of risk information
- K8 When the use of specialist input is appropriate

GOV9

Establish and seek assurance that internal control, management and compliance procedures are in place



Glossary

K3 risk management framework, policy and processes This section looks at the Governing Body's risk appetite

Risk appetite is the amount of risk exposure, or potential adverse impact from an event that the Governing Body is willing to accept or retain.

K5 providers of capital

Awaiting definition from Steering Group

Links to other NOS

Company Secretary
CS2

GOV9

Establish and seek assurance that internal control, management and compliance procedures are in place



[Links to other NOS](#)

Company Secretary NOS CS1, CS2

GOV9

Establish and seek assurance that internal control, management and compliance procedures are in place

Developed by CfA Business Skills @ Work

Version number 1.0

Date approved [APPROVED]

Indicative review date [REVIEW]

Validity Current

Status Original

Originating organisation CfA Business Skills @ Work

Original URN GOV9

Relevant occupations

- 1000 Managers and Senior Officials
- 1112 Directors and chief executives of major organisations,
- 1114 Senior officials of special interest organisations
- 1131 Finance Managers and Chartered Secretaries
- 1135 Personnel, training and industrial relations managers
- 2000 Professional Occupations
- 2421 Chartered and certified accountants
- 2422 Management accountants
- 4000 Administrative and Secretarial Occupations
- 4214 Company Secretaries

Suite Governance

Key words internal control systems, organisational assets, compliance controls, performance risk indicators, review control systems, statements of assurance